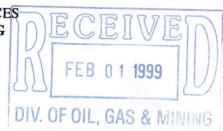
STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

1594 West North Temple - Suite 1210 Box 145801

Salt Lake City, Utah 84114-5801 Telephone: (801) 538-5291 Fax: (801) 359-3940



ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

I.	Genera	d Information
	1.	Report Time Period: From (mo./yr.) 1-98 To (mo./yr.) 12-98
	2.	DOGM File Number (Mine No): M/041/012
	3.	Mine Name: Bentonite Pit
	4.	Mineral(s) Mined (or permitted to mine): Bentonite
	5.	Type of mine Surface Mine or □ Underground Mine
	6.	Legal Description (Location of Lands Affected):
	E 1/2	_SW_1/4, _NW_1/4, _SW_1/4, Section _ 2, Township _215_, Range _1 _W
		1/4,1/4,1/4, Section, Township, Range
		1/4,1/4,1/4, Section, Township, Range
7.	Name of	of Operator or Company: Western Clay Company
	8.	Permanent Street Address: 508 E. Center St.
		City, State, Zip: Aurora, Utah 84620
		Phone: 435-529-3281
	9.	Company Representative (or designated operator):
		Name: Fred or Neal Mortensen
		Title: Officers, Western Clay Company
		Business Address: P.O. Box 127
		City, State, Zip: Aurora, Utah 84620
		Phone: 435-529-3281
		☐ Please check if any of the above information has changed since previous year.
II.	<u>Mining</u>	and Reclamation
	1.	Was there any mine related activity during the past year? Yes ☒ No ☐
	2.	If no - what was the last year of activity?
	3.	If yes - how much ore or mineral was mined? 15,987,79

4.	Briefly describe the type of work performed, volume of material moved, and any new or additional surface disturbances that occurred during the past year.
5.	How much additional acreage was disturbed during the past year?
6.	How much acreage was reclaimed during the past year?0_
7.	Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results.
8.	What is the total disturbed acreage of entire project at years end? same as last
9.	Briefly summarize any mining and/or reclamation plans for the upcoming year.
0 d x x0	Western Clay still has plans to expand this pit and is
	working on a large mine plan to be submitted in 1999.
	Estimate 15 to 20,000 tons of production for 1999.
IOTE.	
NOTE:	Section III., "Additional Information" applies only to large mining operations.
II. <u>Additiona</u>	al Information
1.	An updated surface facilities map should be attached if there have been significant changes since the previous map was submitted.
2.	Any monitoring results or other reports that are required under the terms of the approved notice of intention should also be attached.
V. <u>Signatur</u>	re Requirement
I her	reby certify that the foregoing is true and correct.
	Name (Typed or Print): Fred D. Mortensen
	Title of Operator: President; Western Clay
	Signature of Operator: Fuel D. Moltus
	Date: 1-27-99
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DIV. OF OIL, GAS & MINING